USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.09

Required Report - public distribution

Date: 8/16/2007

GAIN Report Number: GM7039

Germany

Exporter Guide

Road Map to the German Market

2007

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Report Highlights:
With a population of more than 82 million people, Germany has the world's third largest economy after the United States and Japan, and it is the leading market for food and beverages in the European Union. In Calendar Year (CY) 2006, tree nuts accounted for the largest segment of U.S. agricultural exports to Germany. In addition, U.S. seafood exports to Germany continued to increase in popularity. In CY 2006, the United States exported more than $178 million worth of seafood products to Germany, 7 percent higher than 2005.

Includes PSD Changes: No
Includes Trade Matrix: No
Annual Report
Berlin [GM1]
[GM]

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SECTION I. MARKET OVERVIEW

Macro Economic Situation

Germany has the world's third largest economy after the U.S. and Japan, a population of more than 82 million people, and is the leading market for food and beverages in the European Union.[1] After years of stagnant growth, its economy is finally showing signs of revival. In 2006, Germany's real GDP grew by 2.7 percent, mainly fueled by exports. In 2007, Germany's economic recovery is expected to continue, albeit at a slower rate. This is due primarily to a 3-percent increase in the value added tax to 19% from 16%.[2]

Germany's improving economy is having a positive impact on its domestic situation. The average unemployment rate in 2006 was 10.8 percent, an improvement from 2005 when more than 12 percent of the German population (5 million people) was out of work.[3] Nonetheless, the unemployment rates continue to vary according to region, with western Germany experiencing lower unemployment levels and regions in eastern Germany facing more than 20 percent. The budget deficit, on the other hand, was markedly lower compared to the last four years. In 2006, the budget deficit decreased from 73 billion to 40 billion euros. As a result, the public debt ratio dropped to 1.7 percent enabling Germany to go below its maximum spending limits as fixed in the Treaty of Maastricht.[4] Conversely, consumers have gradually increased their savings rate from 9.7 percent in 2000 to an estimated 10.6 percent in 2006.[5]

The euro has become the currency of choice for some international traders and currency reserves in Europe. Its value, vis-à-vis the dollar, has appreciated significantly since it was first introduced as an accounting currency in 1999.[6] Market experts believe the euro's appreciation is likely to increase the cost of German exports and could hamper economic expansion. Currently the euro/dollar exchange rate is 1.36/1.00. Conversely, the dollar's depreciation is expected to continue to have a positive impact on U.S. exports to Germany.

Key Demographic Trends

- Germany has one of the lowest birth rates in the world, with only 1.3 babies born per woman of childbearing age. This development is not expected to reverse in the foreseeable future. Currently, of Germany's 82.4 million inhabitants, 37.4 million, or almost 45 percent, are 45 years of age or older.[7]

- The number of women in the workplace is growing; currently 68 percent of women in the 15-65 age group work outside the home.[8]

- The high share of single-person households and the rising number of women in the workforce have led to strong growth in the demand for convenient foods and

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[1] Source: World Bank ranking of GDP, 2004. http://www.worldbank.org/data/databytopic/GDP.pdf
[2] Deutsche Welle und the Economist
[3] Germany's Federal Employment Office
[4] State Cable 00884. The European Union's Stability and Growth Pact requires member states to keep their public deficits to less than three percent of output.
[5] Forbes.com
[6] Wikipedia - The euro was introduced to world financial markets as an accounting currency in 1999 and launched as physical coins and banknotes in 2002.
[7] Federal Statistical Office Germany
[8] Federal Statistical Office Germany

beverages such as frozen foods and snacks. Germans are increasingly eating on the run and skipping at least one meal a day, having snacks instead.

- More than a decade after reunification, an income gap still exists between the 67 million people living in the western German states and the 15 million in the former East Germany. Average incomes in the eastern states are still markedly lower than in the west and the unemployment rate in the east is more than twice as high as in the west.

- An estimated 7 million foreigners without German passports live in Germany, the majority of whom have been in Germany more than 10 years. These foreign populations (i.e. Turkish, Lebanese, Chinese, Polish, etc.), with their special products and cuisines, have exerted considerable influence on the consumption patterns of the entire nation. The large immigrant population and the penchant by Germans to travel abroad have led to increased consumer preferences for certain foreign foods.

- German consumers are adopting “healthier” eating habits and are increasing their purchases of natural and organically produced items. These habits include:

    - High consumption of fruits and vegetables, although it has leveled off during the past several years;
    - Increasing consumption of organic products. The estimated total value of the German organic market is approximately € 4.5 billion. The organic market has an estimated 2.8% market share of the total German food market;
    - Increased interest in functional foods;
    - Flat level of consumption of most alcoholic beverages; and,
    - High interest in fruit juices, and an increasing interest in lighter fruit-based beverages.

- Consumer concerns about the environment, obesity, and the safety of the food supply have led many to look for alternative or organic product sources, which they view as perhaps better for the environment, safer, and more nutritious.

Consumer-Ready Food Market Overview

Germany represents the biggest market for consumer-oriented foods and beverages in the EU. Germany’s consumers spent more than €188 billion (approximately $224 billion) in 2005 on food and beverages or about 15 percent of total national expenditures. Of this amount, about 5 percent was spent in restaurants, canteens, and other places where food and beverages were served on-premise. The remaining amount was spent in retail food and beverage outlets.

Changing lifestyles have fueled a sharp rise in the consumption of processed, snack, and other consumer-ready foods in Germany. These products primarily come from neighboring EU member countries. U.S.-style snack and processed foods are also favorably viewed in Germany, particularly by the younger generation and by Germans who have visited the United States. Relatively slow growth in overall food and beverage sales and fierce competition among retailers has encouraged buyouts and consolidation in the sector. The competition in the market has also led to increased spending by governments, quasi-governmental organizations, and companies on promotional activities. Fierce competition has also resulted in a handful of giant retailing companies now dominating the food and beverage sales in Germany and throughout Western Europe.

The domestic market for consumer-oriented food products shows diverging trends. Staple foods are often sold by retailers at, or occasionally even below, cost. Meanwhile, the market for specialty foods (convenience, ethnic, snack foods, etc.), which usually command premium prices, is steadily growing.

Imports versus Exports

Despite improved market access as part of the Uruguay Round, many U.S. agricultural products still face tariff rate quotas and high tariffs when entering the EU. Particularly high tariffs are assessed on EU imports of American consumer-oriented products such as animal-based products, fruit and fruit-based products, and processed food products containing added sugar, flour, starch, or milk.

In 2004, the EU passed Council Regulation 1830/2003, which requires all products, including processed foods produced with approved biotech ingredients of more than 0.9 percent, be labeled as "containing genetically modified organisms (GMO)".

34 percent of Germanys agricultural imports from the United States were comprised of consumer-oriented products. In 2006, Germany's imports of U.S. consumer-oriented products amounted to more than $550 million, a 13.5-percent increase from the previous year.[9] The increase in imported consumer products from the United States occurred mainly in wine and tree nut products. German imports of 2-liter-bottle wines soared to nearly $28 million in 2006 compared to a little more than $9 million in 2005, an increase of approximately 200 percent. U.S. exports of walnuts in 2006 also rose significantly to nearly $36 million, an increase of 69-percent from the year before. German imports of U.S. fish and fish products also continued their upward trend totaling approximately $179 million. Frozen Alaskan pollocks and Pacific salmon accounted for most of the U.S. fish exports.

The depreciation of the dollar appears to be having a positive impact on US exports to Germany. Overall agricultural imports from the United States in 2006 totaled more than $1.6 billion, increasing more than 23 percent from the year before.[10]

Advantages/Opportunities and Challenges Facing U.S. Products in Germany

Advantages/Opportunities	Challenges
Germany's 82.4 million inhabitants have one of the highest average income levels in the world.	Germany has a very competitive market, particularly in retail operations.
Germany is among the largest food/beverage importing nations in the world.	German (EU) import tariffs on certain products are high. EU enlargement has given preferential access to products from accession countries.
There is a growing market for organic products. Private label products are popular.	German buyers demand quality, but also low prices; discounters are the fastest growing segment of retail market.
Germany has many well-established importers. The distribution system is well developed.	Retailers often charge high listing fees for products.
The "American-Way-of-Life" and U.S.-style foods are popular, principally among the affluent younger generation.	Retailers seldom import products into Germany (EU) on their own, preferring to purchase from central buyers.

[9] Global Trade Atlas
[10] Global Trade Atlas

A large non-German population and Germans' penchant to travel abroad help fuel demand for a variety of foreign products.	Margins on food at the retail level are among the lowest in Europe.

SECTION II. EXPORTER BUSINESS TIPS

The German market offers good opportunities for U.S. exporters of consumer-oriented agricultural products. U.S. suppliers of consumer-ready foods and beverages interested in developing a market for their products in Germany must be prepared to:

- Offer a product that meets German/EU food law, packaging, and labeling requirements;
- Invest time and money to develop the market (e.g. provide samples to test the market);
- Start with smaller shipments (pallets instead of container loads); and
- Assist the German importer with sales promotion support, especially when such products are not well known to German consumers.

By law, the German importer has legal liability for imported products marketed in Germany and, therefore, has a strong interest in working with the foreign supplier to ensure that the product meets all food law and marketing requirements. Finding the right partner is the key to success in the German market.

Because of transportation costs, duties, and other costs associated with importing, many U.S. products sold in Germany become relatively high-priced specialty items and may only be sold in smaller quantities. This also pertains to products that are almost considered "staple" foods in the United States, such as pre-mixes and pancake syrup. Once a U.S. processed food product is sold in large quantities or meets a current trend in the market, production is often relocated to somewhere within the EU.

All imported food products must comply with German/EU food law regulations with regard to ingredients, packaging and labeling, as well as with applicable veterinary or phytosanitary requirements. In Germany, no official agency is responsible for food label registration, review, clearance, and approval. Private registered food laboratories are available, however, to provide these types of services.

With the exception of dried aromatic herbs and spices, irradiated foods are prohibited in Germany, although such imports are allowed in other EU countries.

Meat and seafood products (including game) from the United States can only be imported into Germany from plants approved by EU veterinarians. An EU-wide ban on growth-promoting hormones used for beef production has sharply reduced U.S. access to the EU beef market. Despite a favorable ruling by the World Trade Organization (WTO) the EU has yet to lift the ban.

For more comprehensive information regarding German/EU food importing regulations and standards please refer to the Food and Agricultural Import Regulations & Standards (FAIRS) report on the FAS home page at http://www.fas.usda.gov. Visit http://useu.usmission.gov/agri/usda.html for further US/EU agricultural trade information.

Import and Distribution

In Germany, specialized importers usually handle the import and distribution of food and beverage products from countries outside of the EU. German retail organizations rarely import directly from countries outside the EU, except for items that they purchase in large quantities.

Traditional importers normally specialize in products or product groups. Due to regular intensive contact with their customers, they usually have an in-depth knowledge of the requirements of individual retailers and of the market conditions in Germany. For example, they source products, handle import (customs) formalities, logistics, supply maintenance and often even pricing and labeling. They also typically advise foreign exporters and ensure that imported products meet food, labeling, packaging, packaging material disposal (including "Green Dot" licenses and fees), and other market requirements.

Importers can also arrange for consolidated shipments of products, such as specialty foods to test the market and gain access to distribution channels. Importers normally distribute nation-wide, either through their own sales force or through a network of independent sales agents.

Direct sales to the central purchasing organizations of food retailers may be the most desirable product-entry system for a foreign supplier. Due to their wide range of distribution, central buyers are generally flooded with offers from competing suppliers. Purchasing organizations often have only a limited interest in working with new suppliers, unless particular advantages in quality, price, or promotional support are offered.

New products on the German market may require up to 12 to 18 months of testing to obtain market acceptance. Listing (slotting) fees in the equivalent of several thousand dollars or more per product are common and do not assure shelf space if a profitable turnover is not achieved rather quickly. The exception may be a retailer's desire to maintain a competitive edge with a full-service assortment.

Competition/Promotion

The German food retail market is highly diversified and extremely price competitive, with domestic and foreign suppliers competing fiercely for shelf space. Food promotions under a national banner have a solid foundation within the trade and retail sectors and, when appropriately designed and stocked, can yield effective results for the exporter and the domestic sales partner.

Third-country promotions for food products in Germany strongly focus on generic aspects. Examples are: in-store promotions, special combined editorial and advertising sections in trade magazines, and national exhibits at trade and consumer fairs. In department stores, a country may be featured with a full line of food and non-food products as well as other economic segments, such as tourism.

Well over half of Germany's agricultural imports, including consumer-oriented products, are sourced from other EU-member countries, principally France, the Netherlands and Italy. Germany's major consumer-oriented agricultural imports from other EU-member countries are: meat and products, dairy products, fresh and processed fruit and vegetables, wine, flowers and nursery products, and processed food.

In addition to the United States, Germany also imports significant quantities of agricultural products from non-EU countries such as Turkey, Japan, Malaysia, Brazil, Argentina, and

South Africa. Germany's major consumer-oriented product imports from these countries include: fresh and processed fruit and vegetables, oilseeds, nuts and dried fruit, and meat and meat products.

EU import restrictions and food law requirements effectively serve to limit the range of products imported from third countries. Large promotion campaigns typically concentrate on products unavailable in the EU or on products that are in limited supply due to the changes in seasons or climatic reasons, for example, Chilean fresh fruits or New Zealand lamb and game meats.

During special promotions, original U.S. products may be featured which do not meet German labeling laws. However, any U.S. supplier seriously interested in marketing products in Germany must comply with German regulations. Also, marketing and promotional support to retailers are normally expected from foreign (U.S.) suppliers.

SECTION III. MARKET SECTOR, STRUCTURE AND TRENDS

Food Retail

Germany's improving economy and the weakness of the dollar vis-à-vis the Euro (€) should bode well for U.S. exports to Germany. In 2005, Germany's food and beverage retailers registered annual sales turnover of nearly €128 billion (or about $152 billion).[11] Since 2001, overall food and beverage sales have increased by 8 percent.[12]

Small local shops and supermarkets still comprise the bulk of outlets, but they are increasingly being replaced by large hypermarkets and discount food stores. Hypermarkets and discounters now account for about 66.5 percent of all retail food and beverage sales, despite accounting for less than one-quarter of all the outlets. Metro AG is Germany's largest operator of hypermarkets. Aldi is the leading operator of discount markets followed closely by the Schwarz Group (Lidl).

The discount segment has been the most dynamic retail segment in Germany. Discounters have prospered in recent years, as German consumers have become increasingly price conscious. In addition, discount stores, which generally tend to be small in size, have benefited from German laws favoring small retailers. In terms of sales, discount stores comprise 40.6 percent of the retail food market sales, up 3 percent from CY 2004. From CY 2000 to CY 2005, the number of discounter outlets grew from 12,970 to 14,610, whereas the total number of German food retail outlets decreased from 70,463 to 61,460 during the same time frame. On a sales basis, Aldi is the largest discounter with about 41.5 percent of the discount market; however, in 2005, Lidl recorded stronger sales growth than Aldi.[13]

German retailers, including buying associations such as Markant, normally source most, if not all, of their imported products from specialized importers. Most U.S. companies interested in exporting to Germany and in developing a position in the German market are advised to work with an importer(s) or with an agent/broker that services these sectors.

For more information on the retail market, please see the report entitled Germany's Retail Food Sector on the FAS home page at http://www.fas.usda.gov.

[11] Exchange rate of 1.19
[12] EuroHandels Institute 2006/2007
[13] EuroHandels Institute 2006/2007

Hotel, Restaurant, and Institutional (HRI) Foodservice

The German food service sector is large and highly fragmented, but can be divided into the commercial and institutional food service markets. The German commercial food service market includes hotels, restaurants, fast food and take-out outlets, bars, cafeterias, coffee shops, and similar channels. The institutional food service market is comprised of hospitals, universities, nursing homes, and cafeterias.

Only 5 percent of German food and beverage expenditures are in the food service sector. Total sales turnover of the German food service market amounted to €66 billion in 2005 ($79 billion).

The traditional full-service gastronomy includes restaurants, pubs, and cafes. The bigger players include McDonalds and Autobahn Tank & Rast. Industry sources predict that the largest growth opportunities in the German consumer foodservice sector over the next 2-3 years will be in coffee bars/shops, gas station snacks, home-delivery, and leisure snack shops.

German food service operators rarely import products directly from third (non-EU) countries, because of:

- The relatively small quantities needed;
- Complex import procedures;
- Language barriers;
- Time differences; and,
- Unavailability of specialized importers willing to take potential risks.

To ensure that the imported products meet all sanitary and health requirements, major operators from the institutional catering sector often buy through central buying offices. Large caterers may occasionally import directly or ask their importers or brokers to obtain products they are especially interested in. The two major distribution channels for the German food service trade are Cash & Carry Wholesalers and Specialized Distributor/Wholesalers.

All food products imported must comply with German/EU food law requirements. For details see the EU Food and Agricultural Import Regulations & Standards (FAIRS) report on the FAS Homepage - http://useu.usmission.gov/agri/fairs.html and for more information about the German gastronomy sector please see the HRI report for Germany.

SECTION IV. BEST HIGH-VALUE PRODUCT PROSPECTS

Despite the existence of a “single” EU market, consumer demand and the structure of the food and beverage market vary substantially between the individual EU member-countries, as well as differing among the different regions of Germany. Generally, those U.S. products with the best export opportunities in the German market meet one or more of the following criteria:

- The basic product is not produced in Europe in sufficient quantities or the American quality is superior;
- The product (usually fresh) is available on a counter-seasonal basis; and,
- The product is unique to the United States.

The following products from the United States may have good potential for market niches in Germany:

- **Specialty Items**: Specialty food items and products, particularly those with little or no competition from European production, have good sales potential in Germany. These products include: delicatessen and snack foods, novelty products, food products germane to the United States, spices, dried vegetables, wild rice, and nutritional foods and supplements.

- **Ethnic Foods**: One of the fastest growing segments of the German food service sector is ethnic food. European ethnic foods, for example Italian, Greek, and Spanish foods, have been popular in Germany for years. Recently, Asian, Mexican or Tex-Mex, and Middle-Eastern foods have experienced increasing popularity due in part to the extensive international travel by Germans and a growing immigrant population. These ethnic products have become so popular, and sold in sufficient quantities, that they are now being produced by the German/European food industry and adapted to local tastes. Such domestically produced products can often be sold at lower prices than imports, which require higher mark-ups due to transportation costs and import duties.

- **Nuts**: Germany imports significant quantities of a wide assortment of tree nuts, as well as peanuts and sunflower seeds. In Germany, most tree nuts are used as ingredients by the food processing sector, for ice cream, confectionery, breakfast cereals, and baked goods. Sunflower seeds are also used mostly as a food ingredient, particularly in very popular sunflower seed bread and bread rolls. The German food service industry offers good opportunities for U.S. exporters of almonds, walnuts, hazelnuts, pecans, pistachios, as well as peanuts and confectionery quality sunflower seeds.

- **Dried Fruit**: Like nuts, Germany imports a significant quantity and a wide assortment of dried fruits. Dried fruit is mostly used as an ingredient by the food-processing sector in breakfast cereals, baked goods, etc. Dried fruit is also popular as a snack, often in combination with nuts.

- **Wine**: Wine consumption in Germany has been growing during recent years. In particular, the demand for red wine is strong. Good prospects exist for "new world" wines, including those from the United States. Germany is the world's largest importer of wine, with imports accounting for about one-half of domestic consumption.

- **Fresh Fruits and Vegetables**: Opportunities are greatest for products that are not grown in Europe, or are grown in only limited quantities. Potential also exists for fresh products that can be supplied when EU product is off-season, which may be a period of several weeks prior to or after the local crop is marketed. Apples, green asparagus, grapefruit, pears, certain soft fruits, and berries offer the best opportunities.

- **Fruit Juices**: Germany has one of the highest rates of per capita juice consumption in the world. The most popular juices are apple and orange, and these two items also account for most imports. The best opportunities for U.S. products in the German market are citrus (orange and grapefruit) and specialty (cranberry and prune) juices.

- **Dairy Products:** Opportunities in this sector are mostly limited to niche products, because the EU is a net exporter of dairy products. EU import tariffs typically increase the price for imported dairy products well beyond that of domestic product, which leaves only limited potential for specialty products at relatively high prices.

- **Pet Food:** The German market for pet food and pet-related products is large, reflecting a large pet population and German's affinity for their pets -- particularly dogs, cats, birds, and horses. Several large German companies dominate the prepared pet food market, however, U.S. pet food and ingredients still face good prospects in the German market.

  EU regulation 1774/2002 introduced certain restrictions related to pet food production. It requires that animal by-products used in the production of feeds and pet food be derived from the carcasses of animal declared fit for human consumption following veterinary inspection. Provisions include a ban on intra-species recycling and fallen stock and restrictions on yellow grease. Certain categories of pet food have to be denatured with specified substances. Pet food plants have to be dedicated to production of product fit for human consumption. For further details please see the website of the U.S. Mission to the EU: http://useu.usmission.gov/agri/by-products.html

- **Fish and Seafood**: Fish consumption in Germany is growing as consumers associate fishery products with a modern healthy diet. Product innovation by the fish industry, which provides a larger variation in fish dishes, adds to the popularity of seafood. Best prospects for U.S. seafood exports to Germany are Alaska pollock, salmon, caviar substitutes, hake, cod, and lobster.

- **High Quality Beef and Game Products**: Limited opportunities exist for hormone-free, high quality beef, game, and exotic meat products. Although these products are normally very expensive, they have found a market in German gourmet restaurants. All meat must originate from plants certified and approved by EU authorities before it can be shipped to or sold in the German market.

SECTION V. KEY CONTACTS AND FURTHER INFORMATION

German Trade Shows for Consumer-Oriented Products

Participating or simply attending a trade show can be a very cost-effective way to test the German market, to introduce a product, or to expand sales. Germany offers a wide variety of trade show venues for food and beverage products. The following table provides details on major trade shows for food, beverages, and other agricultural and related industries taking place in Germany.

Important German Trade Shows –		
Heimtextil (International Fabrics Show) Frankfurt, Main, Germany (Interval: yearly) Target market: Germany/Europe The world's biggest trade fair for home and commercially used textiles.	January 9 – 12, 2008	Show Organizer: Messe Frankfurt GmbH Ludwig-Erhard-Anlage 1 60327 Frankfurt/Main Ph: (+49-69) 7575-0 Fax: (+49-69) 7575-6433 www.messefrankfurt.com info@messefrankfurt.com

Important German Trade Shows –		
IPM (International Plant Show) Essen, Germany (Interval: yearly) Target Market: Germany/Europe European trade fair for the horticultural and nursery industry.	February 24 – 27, 2008	U.S. Pavilion Organizer: Essen fairground's U.S. office: Tel: (212) 356-0406 Fax: (212) 356-0404 www.messe-essen.de www.ipm-messe.de info@messe-essen.de
ISM (International Sweets and Biscuit Show) Cologne, Germany (Interval: yearly) Target Market: Europe/International World's largest show for snacks and confectionery products.	January 27 – 30, 2008	U.S. Pavilion Organizer: National Confectioners Association (NCA) Tel: (703) 790-5750 Fax: (703) 790-5752 http://www.ism-cologne.com/ http://www.koelnmessenafta.com/
Fruit Logistica Berlin, Germany (Interval: yearly) Target Market: Germany/Central & Eastern Europe Good venue for exhibiting fresh and dried fruit, nuts and related products.	February 7 – 9, 2008	U.S. Pavilion Organizer: B*FOR International: Tel: (540) 373-9935 Fax: (540) 372-1411 www.fruitlogistica.com http://www.exhibitpro.com/services/pavilion.aspx
Bio Fach Nuremberg, Germany (Interval: yearly) Target Market: Germany/Europe The leading European tradeshow for organic food and non-food products.	February 21 – 24, 2008	U.S. Pavilion Organizer: B*FOR International: Tel: (540) 373-9935 Fax: (540) 372-1411 www.biofach.de http://www.exhibitpro.com/services/pavilion.aspx
Equitana Essen, Germany (Interval: 2 years) Target Market: Germany/Europe The leading European tradeshow for the equestrian market.	March 14 – 22, 2009	Show Organizer: Messe Essen GmbH Tel: (+49-201) 7244-0 Fax: (+49-201) 7244-513 www.messe-essen.de www.equitana.de info@equitana.de
Internorga Hamburg, Germany, (Interval: yearly) Target Market: Northern Germany Show for the hotel, restaurant, catering, baking and confectionery trades.	March 7 – 12, 2008	Show Organizer: Hamburg fair authorities, Tel: (49-40) 35 69 0 Fax: (49-40) 36 69 21 80 www.internorga.de info@hamburg-messe.de

Important German Trade Shows –		
ProWein Duesseldorf, Germany, (Interval: yearly) Target Market: International International Trade Show for wine and spirits.	March 16 – 18, 2008	Show Organizer: Duesseldorf Messe Authorities Tel: (49-211) 4560 01 Fax: (49-211) 4560 668 www.prowein.de info@messe-duesseldorf.de
Interzoo Nuernberg, Germany, (Interval: 2 years) Target Market: Germany/Europe Leading trade show for pet food and supplies.	May 22-25, 2008	U.S. Pavilion Organizer: Nuremberg fairground's U.S. representative, Tel: (208) 265-1714 Fax: (208) 265-1713 www.interzoo.com www.concordexpogroup.com
ANUGA Cologne, Germany, (Interval: 2 years) Target Market: Europe/International One of the leading international trade shows for food and beverages, and the premier show of its kind held in Germany. Traditionally there is a large U.S. Pavilion at this show featuring about 150-200 U.S. companies and associations. USDA-endorsed show.	October 13 – 17, 2007 October 10 – 14, 2009	U.S. Pavilion Organizer: Koelnmesse, Inc. Chicago Tel: (773) 326-9920 Fax: (773) 714-0063 www.koelnmessenafta.com www.anuga.com

More information about these and other German exhibitions and trade shows can be found under the following Internet address: www.auma-messen.de

Additional Market Information

Internet Home Pages
Internet home pages of potential interest to U.S. food and beverage exporters are listed below:

U.S. Mission to the European Union	http://useu.usmission.gov/agri/usda.html
FAS/Washington	www.fas.usda.gov
European Importer Directory	www.american-foods.org
FAS/Berlin	http://germany.usembassy.gov/germany/fas/index.html
Ausstellungs und Messe-Ausschuss (AUMA)	www.auma-messen.de

If you have questions or comments regarding this report, or need assistance exporting to Germany, please contact the U.S. Agricultural Affairs Office in Berlin at the following address:

Foreign Agricultural Service
U.S. Department of Agriculture
Embassy of United States of America
Clayallee 170
14195 Berlin, Germany

Tel: (49) (30) 8305 - 1150
Fax: (49) (30) 8431 - 1935
Email: AgBerlin@usda.gov
Home Page: http://germany.usembassy.gov/germany/fas/index.html

Please view our Home Page for more information on exporting U.S. food and beverage products to Germany, including market and product "briefs" available on specific topics of interest to U.S. exporters.

Importer listings are available from the Agricultural Affairs Office for use by U.S. exporters of U.S. food and beverage products. Recent reports of interests to U.S. exporters interested in the German Market include:

Report Title	Report Number	Month Report was written
FAIRS Report	GM 7031	August 2007
Wine Report	GM 7002	January 2007
Fish Products Report	GM 6037	September 2006
Kosher Market Report	GM 6036	September 2006
HRI Food Service Sector	GM 6018	April 2006

For more information on exporting U.S. agricultural products to other countries, please visit the Foreign Agricultural Service Home Page at www.fas.usda.gov

Currency Conversion Rates
The value of the dollar has been decreasing against the Euro since 2002. This report includes the dollar equivalents for the reader's convenience, but they are based on annual exchange rates, not the floating rate. All percentage changes mentioned in this report are based on the € levels.

Average Annual Currency Conversion Rates:

2002 1 U.S. $ = 1.0575 €
2003 1 U.S. $ = 0.8840 €
2004 1 U.S. $ = 0.8051 €
2005 1 U.S. $ = 0.8078 €
2006 1 U.S. $ = 0.7580 €

APPENDIX/ STATISTICS

TABLE A: KEY GERMAN TRADE & DEMOGRAPHIC INFORMATION

Key Trade & Demographic Information - 2006	U.S. $Millions	Percent
Agricultural Imports from World/U.S. Market Share (%)[1]	$66,344	2%
Consumer-Ready Food Product Imports from World/U.S. Market Share (%)[1]	39,936	1%
Edible Fishery Imports from World/U.S. Market Share (%)[1]	$3,502	5%
Forest Product Imports from World/U.S. Market Share (%)[1]	$5,305	3%
Urban Population (Millions)/Growth Rate[2]	88	0.5%
Number of Major Metropolitan Areas[3]	5	
Unemployment Rate[3]	10.8%	
Size of Middle Class (Millions)	N.A.	
Per Capita Gross Domestic Product (U.S. Dollars)[4]	$29,210	
Per Capita Food Expenditures (U.S. Dollars)[3]	$2,177	
Percent of Female Population Employed[3]	66.8	
Exchange Rate (Average Annual for 2006)[5]	U.S. $1 = 0.7580 Euro	

[1] Source: Global Trade Atlas
[2] Source: UNICEF Statistics by Country
[3] Source: Federal Statistical Office Germany, Statistical Yearbook, based on latest available data.
[4] [3] Source: Federal Statistical Office Germany, Statistical Yearbook, based on latest available data.
[5] Source: US Internal Revenue Service

TABLE B: CONSUMER FOOD AND EDIBLE FISHERY PRODUCT IMPORTS

German Imports of Agriculture, Fish & Forestry Products (in Millions of Dollars)									
Germany Imports	Imports from the World			Imports from the U.S.			U.S. Market Share		
(In Millions of Dollars)	2004	2005	2006	2004	2005	2006	2004	2005	2006
CONSUMER-ORIENTED AGRICULTURAL TOTAL	38969	40243	39935	442	484	550	1.13	1.21	1.38
Snack Foods (Excl. Nuts)	2185	2080	2064	3	4	4	0.14	0.17	0.19
Breakfast Cereals & Pancake Mix	162	149	141	1	1	1	0.49	0.34	0.33
Red Meats, Fresh/Chilled/Frozen	3331	3575	3618	2	6	6	0.09	0.17	0.15
Red Meats, Prepared/Preserved	1164	1290	1258	1	0	1	0.01	0.00	0.00
Poultry Meat	1085	1181	808	1	1	0	0.00	0.00	0.00
Dairy Products (Excl. Cheese)	2246	2324	2505	3	2	2	0.14	0.07	0.06
Cheese	2781	2541	2641	1	1	1	0.00	0.03	0.00
Eggs & Products	565	556	527	5	6	6	0.92	1.15	1.08
Fresh Fruit	4569	4590	4478	6	6	5	0.14	0.13	0.11
Fresh Vegetables	3493	3689	3623	1	1	1	0.02	0.03	0.02
Processed Fruit & Vegetables	3991	4106	4128	42	41	54	1.06	1.02	1.32
Fruit & Vegetable Juices	1094	1128	1289	9	8	5	0.86	0.71	0.40
Tree Nuts	900	1164	1225	244	305	333	27	26	27
Wine & Beer	2677	2722	2768	31	33	54	1.19	1.20	1.99
Nursery Products & Cut Flowers	2460	2494	2168	17	16	18	0.71	0.63	0.84
Pet Foods (Dog & Cat Food)	720	752	734	5	5	4	0.65	0.60	0.48
Other Consumer-Oriented Products	5537	5895	5770	70	50	58	1.26	0.86	0.97
FISH & SEAFOOD PRODUCTS	2828	3224	3503	154	167	179	5	5	5
Salmon	359	477	508	12	15	18	3.37	3.18	3.52
Surimi	46	62	77	7	7	8	17	11	10
Crustaceans	348	404	412	6	5	6	1.70	1.20	1.39
Groundfish & Flatfish	1159	1285	1518	118	128	132	10	10	9
Mollusks	80	84	83	1	2	2	1.47	1.97	2.75
Other Fishery Products	834	912	905	9	11	13	1.06	1.19	1.49
AGRICULTURAL PRODUCTS TOTAL	53898	55940	57110	994	991	1274	2	2	2
AGRICULTURAL, FISH & FORESTRY TOTAL	62114	64588	66345	1322	1324	1631	2	2	2

Source: Global Trade Atlas

TABLE C: CONSUMER-ORIENTED AGRICULTURAL TOTAL			
Reporting: Germany - Top 15 Ranking	Import		
	2004	2005	2006
	Value	Value	Value
	1000$	1000$	1000$
Netherlands	9693827	9831388	9446193
Italy	4267670	4484318	4318718
France	4622293	4397301	4241433
Belgium	3383013	3484466	3506302
Spain	3300968	3288225	3032900
Austria	1583913	1745022	1825156
Denmark	1830109	1794205	1770007
Poland	1098170	1344332	1417298
Turkey	784040	916103	971909
Ireland	969298	962030	1102148
Switzerland	748353	782771	856991
United Kingdom	641627	643243	596491
Brazil	429141	493660	585092
United States	442270	484974	550459
Greece	492936	570285	524173
Other	4409303	5021309	5190690
World	38696931	40243632	39935960

Data: Harmonized Tariff Schedule (HS 6 Digit)
Source: Global Trade Atlas

TABLE D: FISH AND SEAFOOD PRODUCTS

FISH & SEAFOOD PRODUCTS			
Reporting: Germany - Top 15 Ranking	Import		
	2004	2005	2006
	Value	Value	Value
	1000$	1000$	1000$
Denmark	531395	493523	467276
Netherlands	392550	480562	439431
China (Peoples Republic of)	190128	236069	355992
Poland	168875	278568	324062
Norway	186890	240536	256441
United States	154201	166675	178831
Chile	62734	100290	138765
Russian Federation	95607	95933	133975
Thailand	46783	75999	97574
France	101108	113624	93982
United Kingdom	81460	89796	91705
Vietnam	29771	52180	81131
Iceland	68456	75156	76866
Sweden	78808	66166	62399
Spain	63339	61030	61744
Other	575830	598299	642728
World	2827935	3224406	3502902

Data: Harmonized Tariff Schedule (HS 6 Digit)
Source Global Trade Atlas